



City of Westminster

Audit & Performance Committee Report

Meeting:	Audit & Performance Committee
Date:	4th February 2013
Classification:	General Release
Title:	Work Programme
Wards Affected:	N/A
Financial Summary:	There are no direct financial implications arising from this report
Report of:	Head of Legal & Democratic Services

1. Executive Summary

- 1.1 At its next meeting, the first in the next municipal year, the Committee will be asked to consider and agreed its annual work programme. For information, the draft work programme for the 2014/15 municipal year is attached **Appendix 1**, should the Committee wish to make any comments.
- 1.2 The Committee is also invited to consider and discuss progress to date of the five Working Groups, attached as **Appendix 3**. The Working Groups were established to focus on specific areas of the draft Work Programme and take the work of the Committee forward. The Groups also seek to identify critical issues and measure potential obstacles and what could be achieved. The five Groups are:
 - Process and Audit
 - Procurement and Resources
 - Property
 - People
 - Benefit Fraud
- 1.3 The Committee is invited to review the actions which arose from the last meeting and the work undertaken in response, as detailed in **Appendix 4**.

2. Recommendations

1. That the Committee considers its Work Programme attached as **Appendix 1**.
2. That progress made by the Working Groups, as detailed in **Appendix 3**, be noted.
3. That the work undertaken in response to the actions which arose from the last meeting, as detailed in **Appendix 4**, be noted.

3. Choosing items for the Work Programme

- 3.1 The Committee is required to consider the Committee's Work Programme (attached as **Appendix 1**).
- 3.2 Members' attention is drawn to the Terms of Reference for the Audit and Performance Committee, which were approved at Council on 15th May 2013 (attached as **Appendix 2**); which may assist the Committee in identifying issues to be included in the Work Programme.

4. Monitoring Actions

- 4.1 The actions arising from each meeting are recorded in the Action Tracker attached as **Appendix 4**. Members are invited to review the work undertaken in response to those actions.

5. Resources

- 5.1 There is no specific budget allocation for the Audit and Performance Committee.

6. Approval and modification

- 6.1 The work programme will be reviewed at each meeting of the Committee and items can be removed or added.

**If you have any queries about this Report or wish to inspect any of
the Background Papers, please contact:**

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Legal and Democratic Services**

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BACKGROUND PAPERS:

None

Work Programme 2013/14

Audit and Performance Committee

24 June 2014

Agenda Item	Reasons & objective for item	Lead Officer
Work Programme 2013-14	The Committee is invited at its first meeting of the 2014/15 municipal year to agree a work programme.	Ellie Simpkin
KPMG External Audit Progress Report	To provide the Committee with an update on progress in delivering the 2013/14 audit plan and in planning the 2014/15 audit.	Sally-Anne Eldridge KPMG
Annual Statement of Accounts	To review and comment on the draft and final Annual Statement of Accounts prior to submission to the Cabinet Member for Finance and Customer Services.	Anna D'Alessandro
Governance Review 2013/14	CIPFA / SOLACE governance framework from 2007/ 8 requires an Annual Governance Statement, whilst Accounts & Audit Regulations require an annual review of internal audit and presentation of the findings to a Committee of the Council.	Anna D'Alessandro
Annual Contracts Review 2013/14	To review of the City Council's contracts, including details of contracts awarded, waivers and performance.	Anthony Oliver

<p>Internal Audit and Counter Fraud Monitoring Report</p>	<p>To oversee and monitor the success of the annual Audit and Anti-Fraud Service in planning and delivering outcomes and establishing an effective and robust internal control framework.</p>	<p>Chris Harris</p>
<p>Year End Finance & Performance Business Plan Monitoring Report</p>	<p>To monitor the budget, contracts, risk and delivery through the quarterly performance plan monitoring report and quarterly reports on service and financial performance. The report will also include details of measures to improve payment performance and debt recovery within the City Council as well as monitoring the write-off position.</p>	<p>Anna D'Alessandro (Finance)</p> <p>Nick Byrom (Performance)</p>

24 September 2014

Agenda Item	Reasons & objective for item	Lead Officer
Work Programme 2014-15	The Committee is invited to review its work programme for the 2012/13 municipal year and monitor the progress of the Working Groups.	Ellie Simpkin
KPMG Annual Governance Report	To review and comment on the findings of the letter and on actions being taken in response to recommendations. In line with CIPFA guidance on audit committees and ISA 260 which requires the letter to be communicated to 'those charged with governance' along with the auditor's opinion on the financial statements.	Sally-Anne Eldridge KPMG
Final Annual Accounts 2013/14	To present the final 2013/14 annual accounts.	Anna D'Alessandro
Quarter 1 Finance & Performance Business Plan Monitoring Report	To monitor the budget, contracts, risk and delivery through the quarterly performance plan monitoring report and quarterly reports on service and financial performance. The report will also include details of measures to improve payment performance and debt recovery within the City Council as well as monitoring the write-off position.	Anna D'Alessandro (Finance) Nick Byrom (Performance)
Internal Audit and Counter Fraud Monitoring Report	To oversee and monitor the success of the annual Audit and Anti-Fraud Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	Chris Harris

26 November 2014

Agenda Item	Reasons & objective for item	Lead Officer
Work Programme 2014-15	The Committee is invited to review its work programme for the 2014/15 municipal year and monitor the progress of the Working Groups.	Ellie Simpkin
KPMG Annual Audit Letter 2013/14	To provide KPMG's assessment of the Council's financial statements and its arrangements to secure value for money in its use of resources.	Sally-Anne Eldridge KPMG
Maintaining High Ethical Standards at the City Council	To maintain an overview of the arrangements in place for maintaining High Ethical Standards throughout the authority and in this context to receive a report annually from the Head of Legal and Democratic Services and the Chief Operating Officer.	Peter Large
Corporate Complaints 2013/14	To report on the volume and details of complaints received by the Council and CityWest Homes in 2013/14.	Sue Howell
Quarter 2 Finance & Performance Business Plan Monitoring Report	To monitor the budget, contracts, risk and delivery through the quarterly performance plan monitoring report and quarterly reports on service and financial performance. The report will also include details of measures to improve payment performance and debt recovery within the City Council as well as monitoring the write-off position.	Anna D'Alessandro (Finance) Nick Byrom (Performance)

Internal Audit and Counter Fraud Monitoring Report	To oversee and monitor the success of the annual Audit and Anti-Fraud Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	Chris Harris
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4 February 2015

Agenda Item	Reasons & objective for item	Lead Officer
Work Programme 2014-15	The Committee is invited to review its work programme for the 2014/15 municipal year and monitor the progress of the Working Groups.	Ellie Simpkin
KPMG Certification of Claims and Returns Annual Report (Audit 2013/14)	To report the findings from the certification of 2013/14 claims and the messages arising from the assessment of the Council's arrangements for preparing claims and returns and information on claims that were amended or qualified.	Sally-Anne Eldridge KPMG
Quarter 3 Finance & Performance Business Plan Monitoring Report	To monitor the budget, contracts, risk and delivery through the quarterly performance plan monitoring report and quarterly reports on service and financial performance. The report will also include details of measures to improve payment performance and debt recovery within the City Council as well as monitoring the write-off position.	Anna D'Alessandro (Finance) Nick Byrom (Performance)
Internal Audit and Counter Fraud Monitoring Report	To oversee and monitor the success of the annual Audit and Anti-Fraud Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	Chris Harris

14 April 2015

Agenda Item	Reasons & objective for item	Lead Officer
Work Programme 2014-15	The Committee is invited to review its work programme for the 2012/13 municipal year and monitor the progress of the Working Groups.	Ellie Simpkin
KPMG Annual Audit Plan 2015/16	To set out the audit work that KPMG proposes to undertake for the audit of the financial statements and the value for money (VFM) conclusion 2015/16.	KPMG
Quarter 4 (Interim) Finance & Performance Business Plan Monitoring Report	To monitor the budget, contracts, risk and delivery through the quarterly performance plan monitoring report and quarterly reports on service and financial performance. The report will also include details of measures to improve payment performance and debt recovery within the City Council as well as monitoring the write-off position.	Anna D'Alessandro (Finance) Nick Byrom (Performance)
Internal Audit and Counter Fraud Monitoring Report	To oversee and monitor the success of the annual Audit and Anti-Fraud Service in planning and delivering outcomes and establishing an effective and robust internal control framework.	Chris Harris

Audit and Performance Committee Terms of Reference

CONSTITUTION

6 Members of the Council, 5 Majority Party Members and 1 Minority Party Member, but shall not include a Cabinet Member.

TERMS OF REFERENCE

Audit Activity

1. To consider the head of internal audit's annual report including the auditor's opinion on the Council's control environment and a summary of internal audit and anti-fraud activity and key findings.
2. To consider reports, at regular intervals, which summarise:
 - the performance of the Council's internal audit and anti-fraud service provider(s)
 - audits and investigations undertaken and key findings
 - progress with implementation of agreed recommendations
3. To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
4. To consider specific reports as agreed with the external auditor.
5. To comment on the scope and depth of external audit work and to ensure it gives value for money.

6. To liaise with the Audit Commission over the appointment of the Council's external auditor.
7. To comment on the proposed work plans of internal and external audit.

Regulatory Framework

8. To maintain an overview of the Council's Constitution in respect of contract procedure rules, financial regulations and codes of conduct and behaviour.
9. To review any issue referred to it by the Chief Executive or a Director, or any Council body.
10. To monitor the effective development and operation of risk management and corporate governance in the Council.
11. To monitor Council policies on 'Raising Concerns at Work', the Council's complaints process and the Anti-fraud and Corruption Strategy; specifically the effectiveness of arrangements in place to ensure the Council is compliant with the Bribery Act 2010.
12. To oversee the production of the authority's Statement on Internal Control and to recommend its adoption.
13. To consider the Council's arrangements for corporate governance and agreeing necessary actions to ensure compliance with best practice.
14. To consider the Council's compliance with its own and other published standards and controls.
15. To maintain an overview of the arrangements in place for maintaining High Ethical Standards throughout the Authority and in this context to receive a report annually from the Head of Legal and Democratic Services and the Chief Operating Officer.

Accounts

16. To review the annual statement of accounts and approve these for publication. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.

17. To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Performance Monitoring

18. To review and scrutinise the financial implications of external inspection reports relating to the City Council.
19. To receive the quarterly performance monitoring report and refer any issues which in the Committee's view require more detailed scrutiny to the relevant Policy and Scrutiny Committee.
20. To review and scrutinise personnel issues where they impact on the financial or operational performance of the Council including but not limited to agency costs, long-term sickness, ill health early retirements and vacancies; and
21. To review and scrutinise Stage 3 complaints made against the City Council and monitor progress.
22. To consider and advise upon, prior to tender, the most appropriate contractual arrangements where a proposed contract has been referred to the Committee by the Chief Executive.
23. To maintain an overview of overall contract performance on behalf of the Council.
24. To review and scrutinise contracts let by the Council for value for money and adherence to the Council's Procurement Code.
25. To review and scrutinise the Council's value for money to Council tax payers.
26. To scrutinise any item of expenditure that the Committee deems necessary in order to ensure probity and value for money.

Staffing

27. To advise the Cabinet Member for with responsibility for Finance on issues relating to the remuneration of all staff as necessary.
28. In the course of carrying out its duties in respect of 27 above, to have regard to the suitability and application of any grading or performance related pay schemes operated, or proposed, by the Council.

Working Groups Update

November 2013 – February 2014

Working Group	Outline of Work Undertaken	Lead Members/ Officers
Process & Audit	The Process and Audit Group has not met since the last Committee. It is thought that the group will meet again in March 2014 to discuss the Audit Plan and follow up on some Fraud issues discussed previously.	<p>Councillors Tim Mitchell (Chairman) & David Boothroyd</p> <p>Chris Harris Associate Director, Baker Tilly Business Services Ltd</p>
Benefit Fraud	The group has not met recently.	<p>Councillors: Lindsey Hall (Chairman) Tim Mitchell Cyril Nemeth</p> <p>Christabel Flight</p> <p>David Boothroyd</p> <p>Moyra McGarvey Tri-Borough Director of Audit</p>
Procurement & Resources	The internal audit of procurement, as discussed at the Committee in September 2013, is currently going through the review process. A verbal update on the matter will be given at the meeting.	<p>Councillor Ian Rowley</p> <p>Anthony Oliver Chief Procurement Officer</p>

Property	Councillor Rowley will be providing the Committee with key updates in the area of property going forward, as a member of the Commercial Property Review Board.	Councillor Ian Rowley Ben Denton, Strategic Director Housing, Regeneration & Property
People	The Group is not undertaking work at the current time.	No Member allocation Carolyn Beech Director of Human Resources

Committee Action Tracker

Actions: 26 November 2013 Meeting

Action	Outcome	Lead Officer
The Committee requested up to date figures on how much the investigation of the objections had cost the Council in terms of officer resources.	This information has been circulated.	Anna D'Alessandro
The Committee requested that further information on the audit of Home Care Services be provided for discussion at the February Committee and that a representative from the service department to attend to respond and answer questions.	See item 6 on the agenda.	Chris Harris Moir Mackie
The Committee requested a list of properties which were currently being let at peppercorn rents.	This information has been requested.	Ben Denton
With regard to the performance report, the Committee requested that the targets, especially those around adult social care and children's services, be put into context with the addition of numbers of service users and also suggested that indicators relating to the publicly delivered services be separated from those which related to internal corporate management.	These will be included in the quarter 3 performance report.	Nick Byrom
The Committee requested more information on the impact of the spare bedroom subsidy on the number of overcrowded households in the City.	This information has been circulated.	Nick Byrom

<p>With regard to the increase in major planning applications, the Committee asked for information as to how figures compared to numbers pre-2008, before the start of the period economic downturn.</p>	<p>This information has been circulated.</p>	<p>Nick Byrom</p>
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